

Washington State Auditor's Office

Audit Report

Clallam County Conservation District

Audit Period
January 1, 1992 through December 31, 1996

Report No. 59252

Issue Date
July 31, 1998



Washington _____
State Auditor

Brian Sonntag

Audit Summary

Clallam County Conservation District January 1, 1992 through December 31, 1996

ABOUT THE AUDIT

This report contains the results of our independent audit of the Clallam County Conservation District for the period January 1, 1992, through December 31, 1996.

We performed audit procedures to determine whether the District complied with state laws and regulations and its own policies and procedures. We also audited the financial statements and evaluated internal controls established by District management. Our work focused on specific areas that have a potential for abuse and misuse of public resources.

RESULTS

The District complied with state laws and regulations and its own policies and procedures in the areas we examined.

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Description of the District

Clallam County Conservation District January 1, 1992 through December 31, 1996

ABOUT THE DISTRICT

The Clallam County Conservation District was established in 1959 and is supported primarily by a combination of grants. The District provides conservation education to the general public and is administered by a Board of Supervisors.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Supervisors

Steven Johnson
Dan Moriarity
Romeo Conca
Dave Cameron
Mark Thibo

DISTRICT ADDRESS

111 E Third Room 2B
Port Angeles WA 98362

Audit Areas Examined

Clallam County Conservation District January 1, 1992 through December 31, 1996

In keeping with general auditing practices, we do not examine every portion of the District's financial activities during the audit. The areas examined were those representing the highest risk of noncompliance, misappropriation, or misuse. Other areas are audited on a rotating basis over the course of several years. The following represents the areas of the District's operations examined in this audit period:

LEGAL COMPLIANCE

We audited the following areas for compliance with state and local laws and regulations:

- Open Public Meeting Act
- Insurance and bonding contract terms and conditions
- Budget development and compliance travel expenses
- Expenditures including claims and vendor payments

INTERNAL CONTROL

We evaluated the District's internal control structure in the following areas:

- Cash receipting
- Financial reporting
- Payroll
- Disbursements

FINANCIAL AREAS

In addition to the financial-related work listed in other categories, we audited the following areas:

- Cash and investments
- Revenues and expenditures
- Overall presentation of financial statements

Audit Overview

Clallam County Conservation District January 1, 1992 through December 31, 1996

AUDIT HISTORY

Typically, we audit the Clallam County Conservation District every three years. However, we included 1995 and 1996 in the last audit due to the timing of our visit. The past audit of the District did not contain any findings.

CONCLUSIONS

In the areas examined, we found the District complied with state laws and regulations and its own policies and procedures. We also found the District's financial statements were materially correct.

In particular, our testing showed the District has a strong system for internal audits of expenditures.

Independent Auditor's Report on Compliance with State Laws and Regulations

Clallam County Conservation District January 1, 1992 through December 31, 1996

Board of Supervisors
Clallam County Conservation District
Port Angeles, Washington

We have audited the financial statements, as listed in the table of contents, of the Clallam County Conservation District, Clallam County, Washington, as of and for the years ended December 31, 1996, 1995, 1994, 1993 and 1992, and have issued our report thereon dated July 24, 1997.

We also performed tests of compliance with state laws and regulations as required by *Revised Code of Washington* (RCW) 43.09.260. This statute requires the State Auditor to inquire as to whether the District complied with the laws and the *Constitution of the State of Washington*, its own ordinances and orders, and the requirements of the State Auditor's Office.

Compliance with these requirements is the responsibility of the District's management. Our responsibility is to make a reasonable effort to identify any instances of misfeasance, malfeasance or nonfeasance in office on the part of any public officer or employee and to report any such instance to the management of the District and to the Attorney General. However, the objective of our audit of the financial statements was not to provide an overall opinion on compliance with these requirements. Accordingly, we do not express such an opinion.

The results of our tests indicated that, with respect to the items tested, the District complied, in all material respects, with the applicable laws and regulations referred to in the preceding paragraphs

This report is intended for the information of the management and the Board of Supervisors and to meet our statutory reporting obligations. This report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

BRIAN SONNTAG, CGFM
STATE AUDITOR

July 24, 1997

Independent Auditor's Report on Financial Statements

Clallam County Conservation District January 1, 1992 through December 31, 1996

Board of Supervisors
Clallam County Conservation District
Port Angeles, Washington

We have audited the accompanying statements of Fund Resources and Uses Arising from Cash Transactions of the various funds of the Clallam County Conservation District, Clallam County, Washington, for the years ended December 31, 1996, 1995, 1994, 1993 and 1992. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1 to the financial statements, the District prepares its financial statements on the cash basis of accounting that demonstrates compliance with Washington State statutes and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the recognized revenues and expenditures of the funds of the Clallam County Conservation District for the years ended December 31, 1996, 1995, 1994, 1993 and 1992, on the cash basis of accounting described in Note 1.

BRIAN SONNTAG, CGFM
STATE AUDITOR

July 24, 1997

Financial Statements

**Clallam County Conservation District
January 1, 1992 through December 31, 1996**

FINANCIAL STATEMENTS

Resources and Uses Arising from Cash Transactions – 1996
Resources and Uses Arising from Cash Transactions – 1995
Resources and Uses Arising from Cash Transactions – 1994
Resources and Uses Arising from Cash Transactions – 1993
Resources and Uses Arising from Cash Transactions – 1992
Notes to Financial Statements